

SPACEPORT UPDATE

October 6, 2015

CHRISTINE ANDERSON
Chief Executive Officer



SPACEPORTAMERICA

AGENDA

- BUDGET OVERVIEW
- 2010 TAX DISTRICT BOND EXPENDITURES
- OPERATIONS BUDGET
- REVENUE
- WELCOME CENTER
- SOUTHERN ROAD



BUDGET OVERVIEW

SPACEPORT HAS TWO TYPES OF BUDGETS



- **CAPITAL BUDGET**
 - General Fund/Severance Tax Capital Funds
 - Gross Receipts Tax Capital Funds (Doña Ana & Sierra Counties)
- **OPERATIONAL BUDGET* (DAY TO DAY OPERATIONS)**
 - Appropriated General Funds
 - NMSA Revenue

*All funds are non-reverting, per Spaceport Development Act §58-31-1 - §58-31-17

Eventually NMSA will only have one type of budget: Operational

CAPITAL FUNDING: \$218.5M

- **GENERAL FUND/SEVERANCE TAX CAPITAL FUNDS (\$142.1M)**
Managed by DFA/SBOF
- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**
Managed by NMFA

(Approx. 94% from Doña Ana County and 6% from Sierra County)

OPS BUDGET VS BONDS

- **BOND EXPENDITURES MAY BE COVERED BY OPS BUDGET**
- **OPS BUDGET EXPENDITURES MAY NOT BE COVERED BY BONDS**
- **BOND FUNDS ARE NOT A “SOURCE” FOR OPS BUDGET**

EXAMPLES:

- **CONSTRUCTION EXPENSES (BONDS) MAY BE COVERED BY OPS BUDGET**
- **NMSA STAFF SALARIES (OPS BUDGET) MAY NOT BE COVERED BY BONDS**
- **NMSA STAFF AND BOARD TRAVEL (OPS BUDGET) MAY NOT BE COVERED BY BONDS**

NMFA's ROLE

- NMFA MANAGES SPACEPORT GRT BONDS
- NMFA PROVIDES GUIDANCE ON BOND USAGE (JULY 2011 MEMO)
- ALL SPACEPORT CONTRACTS PAID FROM GRT BONDS ARE SUBMITTED TO NMFA
- ALL INVOICES TO BE PAID FROM GRT BONDS ARE SUBMITTED TO NMFA FOR APPROVAL AND PAYMENT



2010 TAX DISTRICT BOND EXPENDITURES

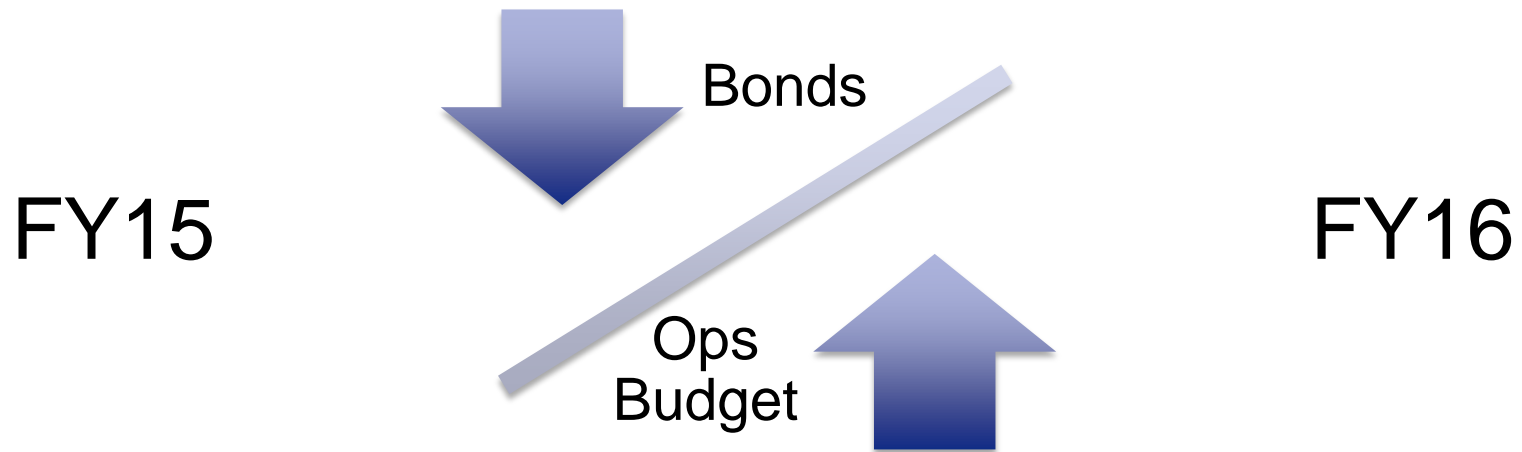
2010 GRT BOND EXPENDITURES

- 2010 GRT BONDS \$18.4M
- PLANNING/ENABLING \$6.6M
- ENVIRONMENTAL \$.125M
- ARCHITECTURE \$1.9M
- CONSTRUCTION \$9.775M (\$1M SPENT BY 12/15)

FY15/FY16

CRITICAL TRANSITION YEARS

- BONDS ARE ALMOST EXPENDED
- ALL EXPENDITURES MUST BE COVERED FROM OPS BUDGET
- OPS BUDGET PROCEEDS MUST COME FROM REVENUE OR GENERAL FUND



CAPITAL FUNDING: \$218.5M

- **GENERAL FUND/SEVERANCE TAX CAPITAL FUNDS (\$142.1M)**

Managed by DFA/SBOF

Balances as of 9/2015:

Unspent:	\$14,347,488
----------	--------------

- **GROSS RECEIPTS TAX CAPITAL FUNDS (DOÑA ANA & SIERRA COUNTIES) (\$76.4M)**

Managed by NMFA

Balance as of 9/2015:

Unspent:	\$1,077,042
----------	-------------

(Approx. 94% from Doña Ana County and 6% from Sierra County)

FY14-17 OPS BUDGETS USES

	14 -audited	15 –estimated	16 projected	17requested
200- Personnel	816,560	1,196,123	1,678,714	1,739,700
300-Contractual	227,047	276,150	2,223,276	2,862.100
400- Other	818,500	905,147	2,586,345	2,297,100
<hr/>				
Total	1,862,200	2,377,420	6,488,335	6,898,900

WHY OPS BUDGET INCREASES IN FY15-16

	14	15	16	17
Primary Migration (Bonds to Ops)				
Environmental Services (300)	689k	460k	250k	172k
Protected Services (300)	1,400k	1,640k	1703k	2300k
Construction(400)	5,500k	3,000k	297k	193k

Primary New Ops Requirements

Marketing/Sales (200 and 400)	100k	200k	530k	630k
Facility maintenance (200 and 400)	150k	300k	850k	609k
Aerospace Operations (200)		100k	200k	200k
IT Support (200)		80k	150k	150k

Blue-Bond Funds

FY14-17 OPS BUDGET SOURCES

	14	15	16	17
General Fund	459,900	463,100	463,000	2,812,800
Special Approp			500,000	
VG Revenue	1,330,000	1,630,000	1,630,000	1,630,000
Other Revenue	1,001,100	1,034,326	1,583,835	2,456,100
Fund Balance	0	0	2,311,500	0
<hr/>				
Total	2,791,000	3,127,426	6,488,335	6,898,900

An abstract graphic consisting of several overlapping, curved grey shapes that sweep from the top left towards the bottom right, creating a sense of motion and depth.

OPERATIONS BUDGET

GENERAL FUND REQUEST

- **FY12-FY15 FLATLINE AT ABOUT \$460K**
- **FY16 FLATLINE (\$460K) WITH SUPPLEMENTAL REQUEST DUE TO VG MISHAP (\$500k)**
- **FY 17 REQUEST \$2.8M DUE TO CONTINUED VG DELAYS AND EXPENDED ROLLOVER FUND BALANCE**
- **CONTINUING TO INCREASE MARKETING/SALES EFFORTS WITH PROJECTED \$4.1M REVENUE IN FY17 BUT STILL HAVE SHORTFALL**
- **YOUTUBE: [HTTPS://WWW.YOUTUBE.COM/WATCH?V=FQU78oQOoZ4](https://www.youtube.com/watch?v=FQU78oQOoZ4)**



SPACEPORT FY16 OPS BUDGET CHANGES

FY16 OPERATIONAL BUDGET

	Authorized	Projected
200- Personnel	1,584,600	1,678,714
300-Contractual	3,974,400	2,223,276
400- Other	1,339,700	2,586,345
<hr/>		
Total	6,898,900	6,488,335

CHANGES IN FY16 OPS BUDGET

- **LEGISLATURE APPROPRIATED \$6.9M**
- **SINCE VG MISHAP OCT 2014, NMSA HAS BEEN ASSESSING OPS BUDGET**
- **NMSA REQUESTED \$1.7M SUPPLEMENTAL BUT RECEIVED \$500K**
- **THUS MORE PRUDENT BUDGET CEILING IS \$6.5M AND NMSA DECREASED CONSTRUCTION AND EQUIPMENT PURCHASES AND IS STEPPING UP MARKETING EFFORTS TO INCREASE REVENUE**

FY16 NMSA OPERATIONAL BUDGET (\$K) PROJECTED

USES	Total
200 - Personnel	1,678,714
300 - Contractual	2,223,276
400 - Other	2,586,345
TOTAL	6,488,335

SOURCES	Total
111 – General Fund	463.1+ 500 supp
130 – Other Revenue	3,213,735
150 – Fund Balance	2,311.5
TOTAL	6,488,335

FY16 PROJECTED BUDGET (\$K)

CATEGORY 200 (PERSONNEL)



Exempt Positions (3)	\$267.7
Executive Director	
Chief Financial Officer	
General Counsel	
Permanent Positions (6)	\$393.1
Technical Operations (2)	
Business Operations	
General Operations	
Admin Operations (2)	
Term Positions (11)*	\$575.0
Aerospace Operations (2)	
General Operations (4)	
Marketing	
Sales	
Brand Communicator	
IT Operations (2)	
Benefits	<u>\$406.2</u>
TOTAL	\$1,678.7

***part year hires**

FY16 PROJECTED BUDGET (\$K)

CATEGORY 300 (CONTRACTUAL)



Protective Services	\$1,702,992
---------------------	-------------

24/7 Fire Protection	
----------------------	--

24/7 Armed Security Protection	
--------------------------------	--

24/7 Emergency Medical	
------------------------	--

Other Contracts	\$520,284
-----------------	-----------

Audit	
-------	--

Media Support	
---------------	--

Environmental	
---------------	--

Legal	
-------	--

TOTAL	\$2,223,276
--------------	--------------------

FY16 RECOMMENDED BUDGET (\$K)

CATEGORY 400 (OTHER)



Utilities – Electricity	\$270.5
Rent of Land/office Space	\$286.1
DoIT Communications	\$234.9
Facilities Maintenance	\$671.2
Property Insurance	\$163.7
Building/Structures	\$297.0
Other Expenses	\$653.9
Office Supplies; IT Supplies; State Vehicles; Travel; BOD Per Diem; Printing/Adv; Training; etc	
TOTAL	<hr/> \$2,586.3

FY17 REQUESTED BUDGET (\$K)

USES	Total
200 - Personnel	1,739.7
300 - Contractual	2,862.1
400 - Other	2,297.1
TOTAL	6,898.9

SOURCES	Total
111 – General Fund	2,812.8
130 – Other Revenue	4,086.1
150 – Fund Balance	0
TOTAL	6,898.9

FY17 RECOMMENDED BUDGET (\$K)

CATEGORY 200 (PERSONNEL)



Exempt Positions (3)	\$267.7
Executive Director	
Chief Financial Officer	
General Counsel	
Permanent Positions (6)	\$391.8
Technical Operations (2)	
Business Operations	
General Operations	
Admin Operations (2)	
Term Positions (11)*	\$662.9
Aerospace Operations (2)	
General Operations (4)	
Marketing	
Sales	
Brand Communicator	
IT Operations (2)	
Benefits	<u>\$418.1</u>
TOTAL	\$1,739.7

***full year hires**

FY17 RECOMMENDED BUDGET (\$K)

CATEGORY 300 (CONTRACTUAL)



Protective Services	\$2,300
24/7 Fire Protection	
24/7 Armed Security Protection	
24/7 Emergency Medical	
Other Contracts	\$562
Audit	
Media Support	
Environmental	
Legal	
TOTAL	<hr/> \$2,862.1

FY17 RECOMMENDED BUDGET (\$K)

CATEGORY 400 (OTHER)



Utilities – Electricity	\$275
Rent of Land/office Space	\$277
DoIT Communications	\$210
Facilities Maintenance	\$400
Property Insurance	\$179
Building/Structures	\$193
Field Supplies	\$127
Equipment	\$50
Other Expenses	\$586
Office Supplies; IT Supplies; State Vehicles; Travel; BOD Per Diem; Printing/Adv; Training; etc	
TOTAL	<hr/> \$2,297



REVENUE

NMSA PRIMARY REVENUE \$K

	FY15 (unaudited)	FY16 (est.)	FY17(est.)
VG Facilities Lease and Ground Rent	1,030	1,030	1,030
VG User Fees	600	600	600
State General Fund Appropriations	463	463	2,813
Special Appropriation		500	
Excess Pledged Revenue	627	585	585
Utilities	167	140	167
Special events	130	511	750
Other Aerospace Customers	100	222	630
Tourism / Merchandising	7	37	150
Sponsorships		90	185
Fund Balance		2311.5	

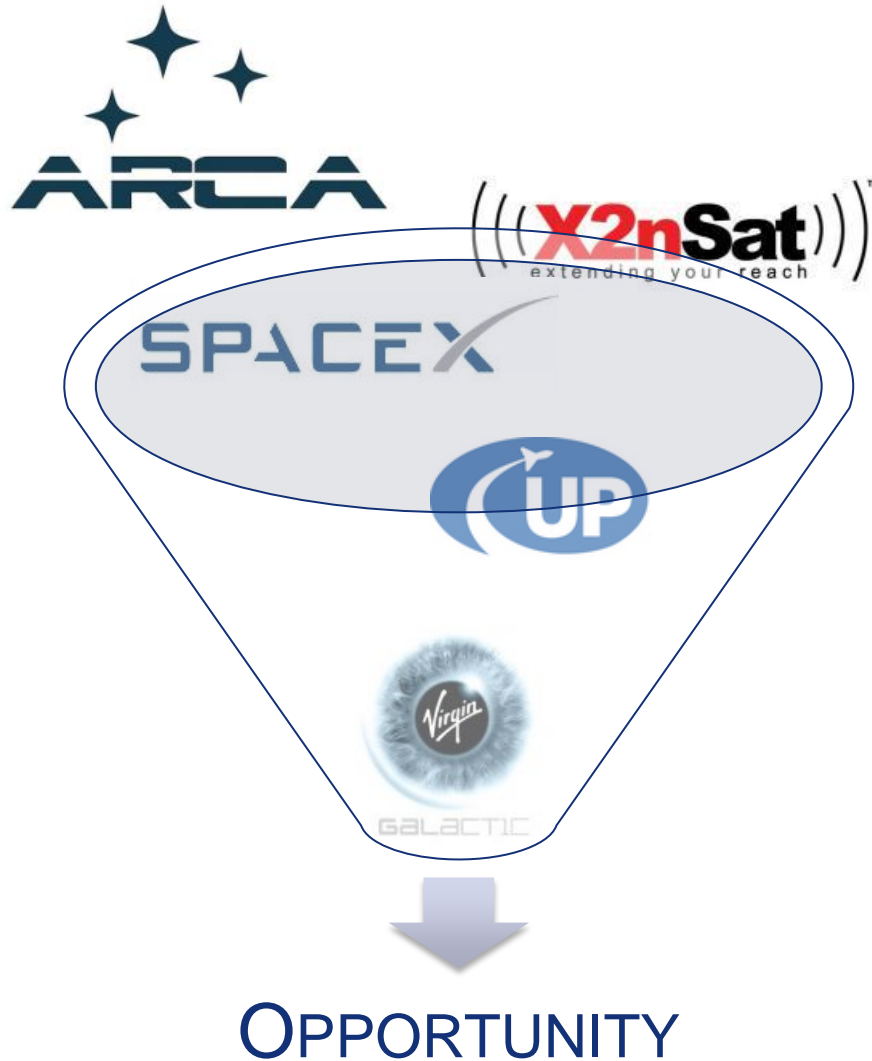
- GROWING MARKETING/SALES STAFF
- MORE COLLATERAL MATERIAL
- MORE ONE-ON-ONE POTENTIAL CUSTOMER CONTACTS/MEETINGS
- MORE BOOTHS AT TARGETED CONFERENCES

FY16 RESULTS SO FAR

- FILM
- X2NSAT GROUND STATION
- ARCA SPACE CORP
- MOTORCYCLE EVENT
- OTHER AEROSPACE CUSTOMERS

AEROSPACE PIPELINE

- SPACE LAUNCH
- SPACE TESTING
- SATELLITE GROUND STATIONS
- UAV TESTING



NEW SITE MASTER PLAN

SPACEPORT AMERICA NORTH CAMPUS



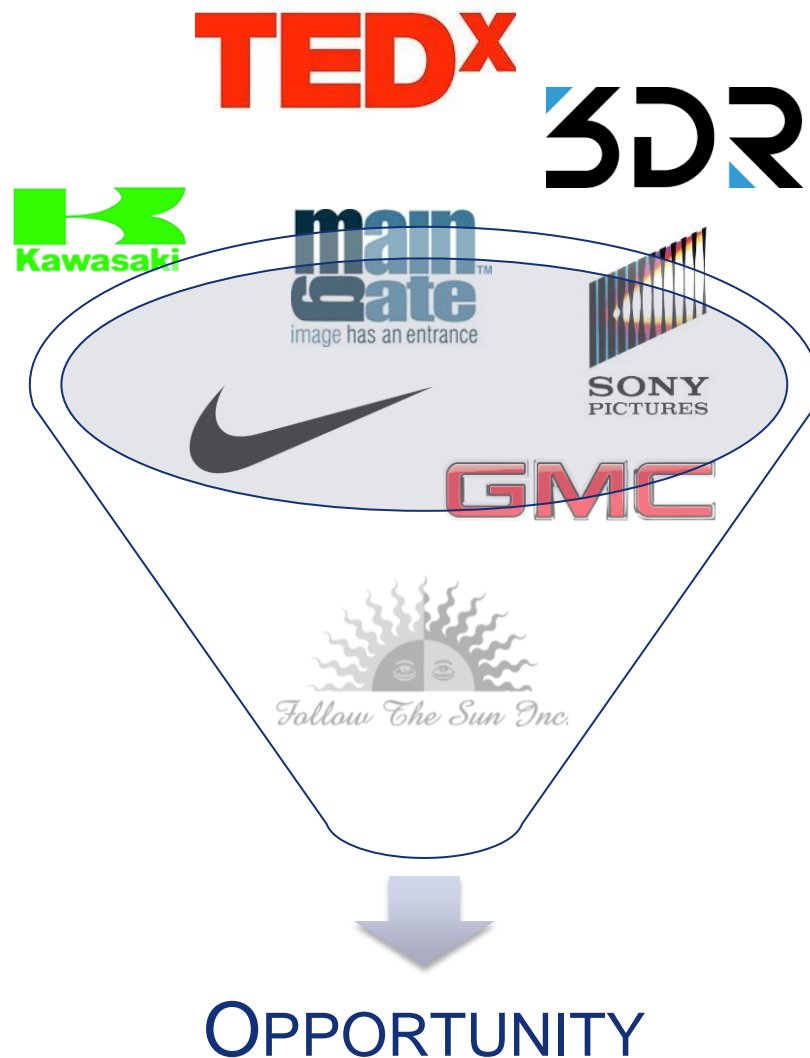
CAPITAL OUTLAY REQUESTS

- TAXIWAY/APRON
\$900K
- HANGAR ROAD
\$500K
- SMALL HANGAR (8K SQ FT)
\$550



NON-AEROSPACE PIPELINE

- TOURISM
- VENUE EVENTS
- MERCHANDISE
- VIRTUAL EDUCATION
- SPONSORSHIP



"THE SPACE BETWEEN US" FIRST FEATURE FILM AT SPACEPORT AMERICA



Susana Martinez
Governor

Jon Barea
Cabinet Secretary

Nick Maniatis
Director

FOR IMMEDIATE RELEASE
September 09, 2015

Contact: Angela Heisel
(505) 827-0309

The New Mexico Film Office Announces STX Entertainment's "The Space Between Us" to film in New Mexico

Production gets underway September 16 with first location at Spaceport America

SANTA FE — New Mexico Film Office Director Nick Maniatis announced today that STX Entertainment's intergalactic love story "The Space Between Us" will be produced in the state mid-September through the beginning of November in Albuquerque, Santa Fe and Truth or Consequences. The film is directed by Peter Chelsom ("Serendipity," "Hector and the Search for Happiness," "Shall We Dance") and produced by Richard B. Lewis ("Robin Hood: Prince of Thieves," "August Rush"). The story is based on a treatment written by Stewart Schill with revisions by Richard Lewis and Allan Loeb with a screenplay by Allan Loeb and revisions by Peter Chelsom & Tinker Lindsay.

LATEST FROM THE LOCATION GUIDE

New sci-fi movie *The Space Between Us* to film in New Mexico

11 Sep 2015 by Nick Goundry



Peter Chelsom's new science-fiction film *The Space Between Us* is set to shoot on location in New Mexico. The movie stars Asa Butterfield as a boy born and raised in secret on a Mars colony, who returns to Earth at 16 years old to search for his true love.

A central filming location will be Spaceport America in the south of the state. The facility is the world's first commercial spaceport and is home to Virgin Galactic and SpaceX.

"There has been tremendous interest from the Hollywood film industry in renting Spaceport America as a film location," said Tammara Anderton, Spaceport America Director of Marketing.

"We are excited about *The Space Between Us* being the first major film to use the spaceport and the Virgin Galactic Gateway to Space Building."



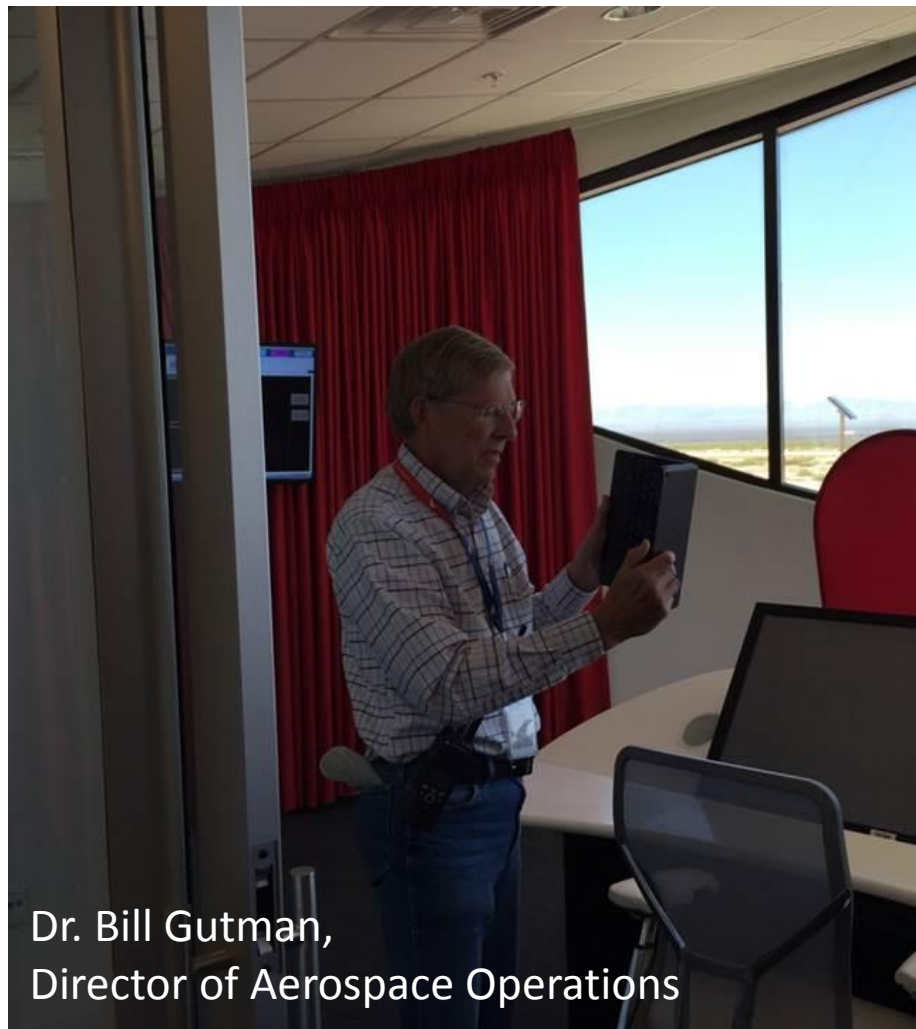
**The production will employ at least 100
New Mexico crew members and
approximately 30 New Mexico principal actors
and an estimated 1,000 local background
talent.**

OPPORTUNITIES — VISITORS TO NM

- **CONFERENCES**
250+ per year
- **VIRGIN GALACTIC PASSENGERS/FRIENDS AND FAMILY**
600-5,000+ per year
- **FILMS**
50-100+ per film
- **CORPORATE EVENTS**
100-5,000 per event
- **PRODUCT VIDEO/ PHOTO SHOOTS**
10-30 per event
- **CORPORATE MEETINGS**
30-50 per event
- **FLY-INS**
80-100 per event
- **SPORTING EVENTS**
100-1,000 per event
- **WEDDINGS**
100-500 per wedding
- **TOURISTS**
12,000 to 100,000+ per year (30% in state)



EDUCATIONAL OUTREACH



Dr. Bill Gutman,
Director of Aerospace Operations

- REAL TIME ONLINE VIRTUAL CLASS AND SPACEPORT TOUR CONDUCTED WITH SIERRA AND DONA ANA COUNTIES PUBLIC MIDDLE SCHOOLS

SPACEPORT AMERICA/CHALLENGER CENTER/VIRGIN GALACTIC STRATEGY



- WEEK ONE - VIRTUAL SPACEPORT AMERICA MISSION
- WEEK TWO – CLASS MISSION INSIDE CHALLENGER CENTER
- WEEK THREE – GOOGLE HANGOUT WITH VG ASTRONAUT



EDUCATIONAL EVENTS ONSITE (MIDDLE & HIGH SCHOOL LEVEL)



NM Space Grant Student Launch

COLLABORATIVE AEROSPACE PROJECTS (UNIVERSITY LEVEL)



NM Tech Student Launch – April 18, 2015

STUDENT EVENTS/FIELD TRIPS (ALL LEVELS)



Gateway Gallery Preview – April 9, 2015

FIELD TRIPS

- WORKING WITH ALBUQUERQUE PUBLIC SCHOOLS IN SUPPORT OF STEM EDUCATION FIELD TRIPS INCLUDING LIVE TOURS OF MISSION CONTROL WITH CREWMEMBERS





SOUTHERN ROAD

SPACEPORT SOUTHERN ACCESS ROAD (23.7 MILES)

- TWO ROUTES TO SPACEPORT**

Paved northern road from T or C

Unpaved southern road from Upham

- FROM LAS CRUCES:**

Northern road takes 2 hrs

Southern road takes 50 min

Northern Road

Spaceport America

Southern Road



Southern road critical for Spaceport America success

SOUTHERN ROAD

- YOST AND RINCON DRAWS SHUT DOWN ROAD AFTER SEASONAL RAINS



Bone-jarring road shuts down with heavy rains

SOUTHERN ROAD (SEP 2014)



SOUTHERN ROAD BACKGROUND

- NMSA SIGNED AN MOA WITH DOÑA ANA COUNTY AND SIERRA COUNTY IN SEPT 2010 FOR IMPROVEMENTS TO:

Doña Ana County Roads E-070, E-071 and E-072
Sierra County Road A-013

- DOÑA ANA AGREED TO CONSTRUCT AND MANAGE THE ROAD PROJECT
- DOÑA ANA AND SIERRA AGREED TO MAINTAIN THE ROAD
- NMSA AGREED TO FUND THE CONSTRUCTION AND RELATED NEPA COMPLIANCE

- ROAD REALIGNED TO MATCH ARCH SURVEY AND DELIVERED TO ARCHEOLOGIST FOR REVIEW 28 SEP 2015
- NMSA ARCHEOLOGIST REVIEWS –COMPLETE OCT 2, 2015
- BLM REVIEWS AND SCHEDULES PUBLIC MEETING-COMPLETE MID-JAN 2015
- ARCHEOLOGIST WRITES DRAFT EA FOR BLM APPROVAL- COMPLETE MID-MARCH
- BLM APPROVES AND ISSUES EA MID-MAY
- DAC ISSUES RFP MID- MAY WITH AWARD MID-AUG 2016
- CONSTRUCTION COMPLETE AUG 2017
- CONTACT: CHUCK McMAHON ASSISTANT DAC MANAGER



VISITOR EXPERIENCE

VISITOR EXPERIENCE

- FUN, IMMERSIVE, INTERACTIVE
- SCIENCE, TECHNOLOGY, ENGINEERING & MATH EDUCATIONAL FAMILY EXPERIENCES
- HIGHLY PERSONALIZED
- BROAD INDUSTRY PARTICIPATION
- UNIQUE GLIMPSE INTO THE FUTURE OF TRANSPORTATION



VISITOR EXPERIENCE COMPONENTS



SPACEPORT VISITOR CENTER

Starting point for Visitor Experience



SHUTTLE TRANSPORTATION

Mobile theater

1-hour inbound / outbound journey to & from Spaceport



GATEWAY GALLERY/FLIGHTLINE TOUR

1-hour escorted Spaceport property tour, including Virgin Galactic Gateway To Space (4,000 sq.ft.)

VISITOR CENTER



- CITY OF T OR C OFFERED TO LEASE DOWNTOWN BUILDING TO FOLLOW THE SUN TOURS, LLC
- SPACEPORT INSTALLED SHOW CONTENT
- FTS HAS A LICENSE AGREEMENT WITH SPACEPORT TO OPERATE TOURS
- REGULAR TOURS OFFERED 5 DAYS/WEEK

VISITOR EXPERIENCE OPENED IN JUNE 2015



- **FEATURES**

- **Original videos**
- **Interactive exhibits**
- **Educational while fun**
- **Highlights include:**
 - G-shock simulator
 - NM space history
 - NM regional history
 - Space science factoids
 - Magic Planet
 - and more

- **YOUTUBE:**

- [HTTPS://WWW.YOUTUBE.COM/
WATCH?V=IPWSDAQJUPY](https://www.youtube.com/watch?v=IPWSDAQJUPY)

SPACEPORT AMERICA EXPERIENCE GRAND OPENING MEDIA COVERAGE/VISITS



The New York Times

HUFFPOST TRAVEL



21 Print Media Outlets
32 Online Media Outlets
9 Television News Media Segments
2 Radio Media Outlets



The Washington Times



VISITOR EXPERIENCE

- ATTENDANCE WILL GREATLY INCREASE WHEN:
- VG STARTS FLYING
- INCREASED MARKETING PRODUCES RESULTS
- OTHER INNOVATIVE AEROSPACE ON-SITE ACTIVITIES INCREASE



WHEN THE ROCKETS AND SPACESHIPS GO UP – SO DOES SPACEPORT AMERICA TOUR TICKET AND MERCHANDISE SALES



\$37,000 to \$150,000+



OPEN HOUSE OCT 3, 2015



An aerial photograph of a river delta, likely the Nile, showing a complex network of channels and a large, dark, irregularly shaped lake or wetland area. The surrounding land is a mix of brown and tan hues, suggesting arid or semi-arid conditions. The text "Come Visit" is overlaid in the center in a white, bold, sans-serif font with a black outline.

Come Visit